GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:2345
ANSWERED ON:17.03.2005
SALE OF ETHANOL MIXED PETROL
Renge Patil Shri Tukaram Ganpatrao;Thummar Shri Virjibhai

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the estimated annual production of Ethanol in the country;

(b) whether any difficulty is being experienced in sale of ethanol mixed petrol; and

(c) if so, the manner in which this difficulty is being tackled?

Answer

MINISTER OF PETROLEUM & NATURAL GAS & PANCHAYATI RAJ (SHRI MANI SHANKAR AIYAR)

(a) to (c) Molasses, a derivative of sugar used for manufacture of ethanol is a decontrolled item. As such, no data regarding production of ethanol is maintained.

(b) and (c)Since late 2003 and in 2004, the availability of ethanol has been scarce and erratic in the States of Maharashtra, Goa, Gujarat, Karnataka and Andhra Pradesh. The price of ethanol also rose significantly at all locations.

After discussions with State Governments, the Government has notified vide GSR 705(E) dated 27.10.2004 that five percent ethanol-blended petrol, as per BIS specification, shall be sold in notified States and Union Territories if the price of sourcing indigenous ethanol for supply of ethanol-blended petrol is comparable to the price of indigenous ethanol for alternative uses and the delivery price of ethanol at the location is comparable to the import parity price of petrol at that location and the indigenous ethanol industry is able to maintain the availability of ethanol for ethanol blended petrol at such prices.